

## **REMARKS**

Claims 1-11, 13-17, and 19-33 were pending at the issuance of the instant Office Action. Claims 19-21, 29, and 30 are withdrawn as directed to a non-elected invention. Claims 1-10, 13-17, 22-28, and 31-33 are rejected. Claim 11 is objected to. Claims 1, 3, 17, and 27 are amended. Claim 11 is canceled, the subject matter therein having been incorporated into Claim 1. Reconsideration is respectfully requested.

### **A. Rejection of Claims under 35 USC §112, second paragraph**

Claims 3, 9, 10, 25 and 26 are rejected under 35 USC §112, second paragraph as being indefinite. In particular, the Action asserts that Claim 3 is unclear. Claim 3 has been amended to more particularly point out that the first DNA sequence is present within a protein region encoding DNA sequence of the second DNA sequence in the target vector. Support for this amendment is found, for example, in Figure 3, which depicts two variable chains of a single chain antibody, where CDR3 of one chain is replaced by the KLGT (*K. lactis* gamma toxin). In Figure 3, the single chain variable chains are encoded by the second DNA sequence of a target vector and the first DNA sequence (i.e. the KLGT sequence) is inserted within a protein region encoding DNA sequence. Applicant respectfully requests reconsideration and withdrawal of this rejection in view of this amendment.

The Action also asserts that Claim 9 is unclear. Claim 9 has been amended to depend on Claim 3, rather than on Claim 8, and also to more particularly point out that the second DNA sequence encodes an antibody or single chain antibody and the first DNA sequence is present within at least one CDR encoding region. Applicant submits that the claim is clear as presented herein, and respectfully requests reconsideration and withdrawal of this rejection in view of this amendment.

### **B. Rejection of Claims under 35 USC §103**

Claims 1-7, 13-17, 24, 27, 31, and 32 are rejected under 35 USC §103(a) as being unpatentable over Meinhardt *et al.* in view of Butler *et al.*, and in further view of US 6,410,271.

Claim 1 is amended to include the subject matter of Claim 11 (which is canceled). Thus, the  $\gamma$ -toxin subunit of the *K. lactis* killer toxin in the method of the claim lacks the signal peptide. MPEP §2143.03 requires that all claim limitations be considered in an obviousness determination, and the Board of Patent Appeal and Interferences (BPAI) recently confirmed that “obviousness requires a suggestion of all limitations in a claim.” See *In re Wada and Murphy*, Appeal 2007-3733, citing *CFMT, Inc. v. Yieldup Intern. Corp.*, 349 F.3d 1333, 1342 (Fed. Circ. 2003) (citing *In re Royka*, 490 F.2d 981, 985 (CCPA 1974). Applicants submit that none of the cited art teaches or suggests the use of a  $\gamma$ -toxin subunit of *K. lactis* killer toxin that lacks the signal peptide in a method for construction of randomized gene libraries in yeast cells. In particular, it is noted that this limitation was present in Claim 11, which was not included in this rejection and was found allowable (see Office Action, page 7). Therefore, the asserted combination of references fails to render the instant claims obvious. Consequently, Applicant respectfully requests that this ground of rejection be withdrawn.

### **Conclusion**

This is submitted to be a complete response to the outstanding Action. Based on the foregoing arguments, the claims are believed to be in condition for allowance; a notice of allowability is therefore respectfully requested.

The Examiner is invited to contact the undersigned attorney as indicated below with any questions, comments or suggestions relating to the referenced patent application.

Respectfully submitted,

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